



# MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

## LABOR FORCE & EMPLOYMENT

The seasonally adjusted unemployment rate for July 2001 for the Magic Valley Labor Market Area was 4.2 percent, as shown in Magic Valley Table 1. This was three-tenths of a percentage point higher than June 2001, but three-tenths of a percentage point lower than July 2000. *Civilian Labor Force* was slightly lower in July 2001 than in July 2000, but the amount was negligible.

Overall, *Nonfarm Payroll Jobs* are down 1.6 percent year-over-year reflecting a slowing economic growth in the Magic Valley. Most employment sectors show decreases. The largest decrease occurred in *Services* with a 7.0 percent decrease year-over-year. This decrease is all the more interesting because the *Services* sector was the fastest growing in terms of job growth over the last three years. *Manufacturing* also decreased significantly, especially in *Manufacturing-Durable Goods*, which decreased by 4.6 percent. Even the normally strong *Food Processing* sector suffered a small decrease over the past year. The only sectors to experience a positive growth were *Mining & Construction*, *Wholesale Trade* and *Government-Education* with increases of 0.4 percent, 3.1 percent, and 13.9 percent respectively. However, the increase in *Government-Education* is almost wholly attributable to counting adjustments made over the past year.

In summary, a pattern of economic cooling is developing in the Magic Valley, and this follows statewide and nationwide trends. The severe drought situation is having an effect on both agriculture and tourism. Consumer confidence remains fairly strong in the area, but the larger decreases in the *Services* sector would seem to indicate that consumers are being more cautious about spending discretionary income, and such sectors as *Eating and Drinking Places*, *Hotel & Other Lodging Places*, and

Magic Valley Table 1: Labor Force & Employment  
Twin Falls, Jerome, and Gooding counties

	July 2001*	June 2001	July 2000	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	47,090	47,140	47,200	-0.1	-0.2
Unemployment	1,990	1,840	2,130	8.2	-6.6
% of Labor Force Unemployed	4.2	3.9	4.5		
Total Employment	45,100	45,300	45,090	-0.4	0.0
<b>Unadjusted</b>					
Civilian Labor Force	48,310	47,920	48,420	0.8	-0.2
Unemployment	1,910	1,720	2,000	11.0	-4.5
% of Labor Force Unemployed	4.0	3.6	4.1		
Total Employment	46,400	46,200	46,420	0.4	0.0
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	37,040	37,270	37,650	-0.6	-1.6
<b>Goods-Producing Industries</b>	7,550	7,170	7,650	5.3	-1.3
Mining & Construction	2,250	2,220	2,240	1.4	0.4
Manufacturing	5,300	4,950	5,410	7.1	-2.0
Durable Goods	830	800	870	3.8	-4.6
Nondurable Goods	4,470	4,150	4,540	7.7	-1.5
Food Processing	3,370	3,050	3,470	10.5	-2.9
All Other Nondurable Goods	1,100	1,100	1,070	0.0	2.8
<b>Service-Producing Industries</b>	29,600	30,100	30,000	-1.7	-1.3
Transportation, Comm., & Utilities	2,540	2,560	2,680	-0.8	-5.2
Wholesale Trade	2,340	2,370	2,270	-1.3	3.1
Retail Trade	8,090	8,170	8,230	-1.0	-1.7
Finance, Insurance, & Real Estate	1,260	1,260	1,310	0.0	-3.8
Services	8,000	7,930	8,600	0.9	-7.0
Government Administration	3,820	3,860	3,890	-1.0	-1.8
Government Education	3,440	3,950	3,020	-12.9	13.9

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

*Amusement & Recreation Services* seem to be suffering as a result. This is indicative of a slowing economy where consumers are still able to take care of basic needs, but are foregoing such activities as eating out and taking vacation trips. Despite the fact that the Magic Valley has avoided major layoffs, such announcements as Albertson's closing a Twin Falls store and idling 70 workers show that the Magic Valley is not immune to economic influences from the overall nationwide economic slowdown. Whether the slight increase in the unemployment rates in Magic Valley is a harbinger of future increases remains to be seen. However, the almost uniform slowing of job growth in all employment sectors does indicate that the local economy is reacting to state and nationwide trends.

## AREA DEVELOPMENTS

### Twin Falls County

- Albertson's announced that it would close its North Twin Falls store by September 10, 2001. This announcement affects approximately 70 workers. The store, located at the intersection of Pole Line Road and Blue Lakes Boulevard, is Twin Falls' newest Albertson's store. Albertson's cited the difficulty of access and lack of sales and earnings as the reasons the store would be closed. The store, which opened in 1998, also has an in-store branch of U.S. Bank located inside. The older Albertson's store located on Addison Avenue will be unaffected by the closure.
- Ken Becker, plant manager for the Solo Cup Company, has been named chairman of the Twin Falls Chamber of Commerce's Business Plus II program. The Business Plus II program provides financial support for economic development efforts in the area and is a major financial backer for the new Southern Idaho Economic Development Organization (SIEDO).
- Two national retailers announced intentions to open new stores in Twin Falls in spring 2002. Both retailers will locate facilities in the new Canyon Park East development on Blue Lakes Boulevard North. The first retailer, T.J. Maxx, sells brand name and designer fashions at discount prices. The new store will be a 27,000-square-foot facility and will employ 60 to 80 people. The second retailer, Famous Footwear, sells brand name shoes at discount prices. The Twin Falls store will be an 8,000-square-foot facility. Employment figures were not given. Both stores expect to open either in the first or second quarter of 2002.

### Jerome, Gooding, Lincoln, Blaine, and Camas Counties

- Idaho Governor Dirk Kempthorne attended the grand opening and ribbon-cutting ceremonies for the new Tele-Servicing Innovations, Inc. (TSI) call center in Jerome. Also in attendance were TSI President Jeff Neiswanger, Idaho Lt. Governor Jack Riggs, Idaho Department of Labor Director Roger Madsen, Idaho Department of Commerce Director Gary Mahn, and State Representative Maxine Bell along with many business and civic leaders. Governor Kempthorne praised Jerome's economic development efforts and said that Jerome is a leader in rural development. He also announced approval of a \$500,000 Rural Community Development Grant for infrastructure improvements for the creation of a business park and high tech campus located near the Jerome Butte. TSI opened for business in July and has created nearly 100 new jobs.

- The City of Gooding has been awarded a Community Development Block Grant for \$363,000 for water, sewer, and street improvements necessary for the construction of the Walker Center's proposed expansion of its drug and alcohol rehabilitation facility. The proposed expansion would be a one-story, 43,000-square-foot building with 32 adult beds and 16 adolescent beds. The expansion will help create 44 new jobs in Gooding.

### Cassia and Minidoka Counties

- A new Auto Zone parts store is scheduled to open in Burley near the end of September. The new store will be located at 811 East Main Street and will offer a full line of auto accessories. Auto Zone is based in Memphis, Tennessee, and has about 3,000 stores across the U.S. and Mexico.
- A new convenience store, Jr.'s C will be opening in Burley in August. The new store, located at 301 East 16<sup>th</sup> Street, will offer hot fried food, pizza, and sub sandwiches cooked to order as well as a wide range of convenience items and gasoline. A grand opening was scheduled for late August or early September.
- The Mini-Cassia Development Commission has voted to reorganize its board structure to give it a more business-oriented outlook. Public officials will be replaced by private-sector business people in an effort to find better support and funding from private enterprises. The proposed new board will consist of Harry Badger, representing Minidoka County; Brent Lee, representing Cassia County; Mike Atchley, representing Burley; Jerry Grace, representing Rupert, and Rich Reynolds, representing Heyburn. The public officials that are being replaced on the board will remain as advisers and will meet on a biannual basis to keep current on commission business. Mechelle McFarland's position as economic development specialist will be unaffected by the change. She will report to the new board.

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Gregory Rogers, Regional Labor Economist  
771 N. College Road, Twin Falls, ID 83303  
(208) 736-3000  
E-mail: grogers@labor.state.id.us